



U.S. Immigration
and Customs
Enforcement

News Release

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WEST PALM BEACH MAN CONVICTED ON CHARGES OF ILLEGALLY TRANSPORTING HAZARDOUS MATERIALS

MIAMI-R. Alexander Acosta, United States Attorney for the Southern District of Florida, Jesus Torres, Special Agent in Charge, U.S. Immigration and Customs Enforcement (ICE), Barbara Barnett, Special Agent in Charge, U.S. Department of Transportation, Office of Inspector General, and Willie Gripper, Jr., Manager of Security & Hazardous Materials Division, Federal Aviation Administration, Atlanta Regional Office, announced today the conviction of defendant, Harold J. DeGregory, Jr., for the unlawful transportation of hazardous and radioactive material, specifically Iridium-192, and making false misrepresentations to the federal government.

After a five-day trial, a federal jury sitting in Miami, Florida, found DeGregory guilty of three counts of illegal transportation of Iridium-192, a hazardous and radioactive material. The defendant was also convicted of two counts of making a materially false statement to the United States government. The defendant was acquitted of three other counts. On each of the five counts of conviction, the defendant faces a maximum term of imprisonment of five (5) years and up to \$250,000 in fines. The case was tried before United States District court Judge Adalberto Jordan, who scheduled sentencing for April 14, 2006 in Miami.

This case arose when the defendant, President and registered agent of a company known as H&G Import Export of Fort Lauderdale (H&G), agreed with Bahamas Oil Refining Company (BORCO), located in Freeport, Grand Bahama Island, to transport Iridium-192 to and from the Bahamas. BORCO employed the radioactive isotope Iridium-192 in industrial radiography. BORCO acquired Iridium-192 for this purpose from a company located in the United States, which would legally ship the hazardous material in interstate commerce to H&G Import Export. H&G Import Export was responsible for further transportation to BORCO. Depleted Iridium-192 was to be returned to the United States-based supplier when its useful life was spent.

According to the evidence presented at trial, DeGregory flew to Freeport, Bahamas from Fort Lauderdale, Florida in a twin-engine Piper Aircraft, Model PA 31-310 transporting a container, commonly referred to as a "pig," which contained Iridium-192. On October 28, 2004, DeGregory sub-contracted the air transportation of a pig containing the Iridium-192 to Amelia Airways, a commercial air carrier, which unbeknownst to the pilot, transported the hazardous and radioactive material from Fort Lauderdale to Freeport, Bahamas. DeGregory never submitted the required Hazardous Material Manifests as required by law. Moreover, DeGregory did submit

documents to Customs Border and Protection reflecting transportation of cargo, omitting any mention of the Iridium-192.

The evidence also showed that on November 2, 2004, DeGregory flew from Freeport, Bahamas to Fort Lauderdale Executive Airport. DeGregory provided a customs declaration form to Customs officials that failed to disclose the hazardous radioactive cargo hidden in the wing compartment of his aircraft. Upon inspections, Custom and Border Protections Inspectors discovered the pig containing depleted Iridium-192.

Mr. Acosta commended the investigative work of the United States Immigration and Customs Enforcement and Customs and Border Protection, the Department of Transportation, Office of Inspector General, the Federal Aviation Administration, and the State of Florida Department of Health, Radiological Health Program. This case is being prosecuted by Assistant United States Attorneys Lynn D. Rosenthal and Thomas Watts-Fitzgerald.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.